

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

In re:	§	Chapter 11
	§	
Piedra Mala Contracting, LLC	§	
	§	Case No. 23-51662
Debtor	§	SubChapter V

**INTERIM APPLICATION FOR
COMPENSATION OF FINANCIAL ADVISOR, PAUL RANGLES, CPA**

THIS PLEADING REQUESTS RELIEF THAT MAY BE ADVERSE TO YOUR INTERESTS. IF NO TIMELY RESPONSE IS FILED WITHIN TWENTY ONE (21) DAYS FROM THE DATE OF SERVICE, THE RELIEF REQUESTED HEREIN MAY BE GRANTED WITHOUT A HEARING BEING HELD. A TIMELY FILED RESPONSE IS NECESSARY FOR A HEARING TO BE HELD.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Now Comes, Paul Randles, CPA (“Financial Advisor”), and respectfully requests this Court to award it compensation in the amount of \$37,703.68.

I. BACKGROUND

1.1 Date of Filing Petition. On December 1, 2023, Debtor, Piedra Mala Contracting, LLC (the “Debtor”), filed with this Court its petition for relief pursuant to the provisions of Chapter 11 of the Bankruptcy Code.

1.2 Date of Order Approving Employment. Debtor retained Accountant on an hourly basis pursuant to the Order of the Court authorizing employment of Financial Advisor dated January 24, 2024.

1.3 Terms and Conditions of Employment. Financial Advisor is required to file an application for compensation.

1.4 Persons Performing Services and Hourly Rate(s). Financial Advisor and his staff performed financial reporting services in accordance with his engagement letter filed with the Court. The same rates are charged for Financial Advisor's non-bankruptcy clients for similar services and is based, in part, on the customary compensation charged by comparably skilled practitioners in cases other than cases under the Bankruptcy Code.

1.5 Interim or Final. This application is an interim fee application.

1.6 Review by Client. The Debtor has approved the fees of Financial Advisor. Debtor is serving notice of filing of this application upon all parties in interest concurrent with its filing.

1.7 Less Than 120 Days. This application is filed more than 120 days after the order for relief or after a prior fee application.

1.8 Time Period. The time period of the services and expenses covered by this application are from December 1, 2023, through April 18, 2024, for Financial Advisor.

II. FACTS

2.1 This Application seeks approval of all fees and expenses for tax return preparation services and rendered and out-of-pocket expenses incurred on behalf of the Debtor during the period commencing on or about December 1, 2023, through and including April 18, 2024. The Financial Advisor has not received prior compensation in this case for fees and expenses.

2.2 This application seeks:

a. Approval of those fees in the amount of \$37,703.68; and

Approval of an Order directing the Debtor to pay fees heretofore requested in the total amount of \$37,703.68, which shall be paid from Debtor's Debtor in Possessions account; and

- b. Attached hereto and incorporated herein by reference for all purposes as Exhibit “A,” is the description setting forth the nature and extent of services rendered on behalf of Debtor during the period December 1, 2023, through and including April 18, 2024, for which approval is herein sought for the first time. Exhibit “A” sets forth the statement of charges.

III. GENERAL STANDARDS FOR COMPENSATION: § 330

3.1 11 U.S.C. § 330(a)(1) directs the award to a debtor’s accountant(s) of:

- a. “Reasonable compensation for actual, necessary services rendered ... ; and
- b. Reimbursement for actual, necessary expenses.”

The Financial Advisor believes all services rendered were necessary and have produced a benefit to the estate. At all times, every reasonable effort was made to avoid duplication of effort and expense on the part of the Financial Advisor for Debtor. Accordingly, the Financial Advisor believes he has delivered high-quality accounting services at an efficient and economical rate for the estate.

IV. PRAYER

WHEREFORE, PREMISES CONSIDERED, the Debtor respectfully request that this Court authorize and allow this Application in the total sum of \$37,703.68 as allowance for accounting services rendered for Debtor, said allowance based solely on a time basis for the Financial Advisor involved in the representation of Debtor commencing on or about December 1, 2023, through and including April 18, 2024, or as otherwise shown on the exhibit attached hereto, and that the compensation so requested be awarded as an Allowance on the basis of all factors set forth in *First Colonial Corp., Supra*, and other applicable authorities and rules; that the Debtor be

directed to disburse to Financial Advisor, the total sum of \$37,703.68, within fourteen (14) days of the signing of the order.

Dated: April 25, 2024

Respectfully Submitted,

THE SMEBERG LAW FIRM, PLLC.

By: /s/ Ronald J. Smeberg

RONALD J. SMEBERG

State Bar No. 24033967

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ATTORNEY FOR DEBTOR

PGR Business Advisors, LLC

PAUL RANGLES
PO Box 396
Kendalia, TX 78027
Work 210-709-4015

INVOICE**Piedra Mala LLC**

301 North Austin St
Seguin, TX 78155

19-Apr-24**Business Operation CH V Matter****Regarding: Billing for services rendered on -**

<u>Date</u>	<u>Time</u>	<u>Hours</u>	<u>Description</u>	
12/1/2023	100-310	1.17	Discuss cash collateral statement and changes requested. Make adjustments to Cash Collateral as requested by client. Review client loan documents.	233.33
	245-500	2.25	Meeting with BL & Accountant to go over cash collateral, loans, Eq to keep and filing status with RS.	450.00
12/2/2023	1030-200	3.50	Prepare summarized list of kept equipment for council. Update cash collateral.	-
12/4/2023	800-1030	2.50	Discuss changes with counsel and client. Redo Cash collateral for changes.	700.00
12/5/2023	1100-130	2.50	Meet with BL and update budget and discuss accounting review and adjustments needed.	500.00
12/13/2023	100-400	3.00	Review email of items needed for attorney. Review vendor list. Go over opening balance for 2024 and what is needed to reconcile accounts and balances. Go over attorney requests and deadlines. Go over budget.	500.00
12/14/2023	415-545	1.50	Prepare items for list from DA with Smeberg for AC due today.	-
	615-645	0.50	Conference call with council and BL.	300.00
12/15/2023	900-915	0.25	Match QBs notes to lender statement for JE.	100.00
	130-700	5.50	Review and prepare with BL court documents for filing. Review with council.	50.00
12/18/2023	1115-1150	0.58	Review IDC form and discuss with BL, DA and RS.	1,100.00
12/19/2023	235-250	0.25	Communicate with BL and Ever Bank on current status and Volvo Asset.	116.67
12/26/2023	115-400	2.75	Start reconciliatin of BOSA Operating account for 2023.	50.00
12/27/2023	100-245	1.75	Meet with council for final cash collateral, filing for court for PGR and update budget. Start reconciliatin of BOSA Operating account for 2023.	550.00
12/28/2023	800-830	0.50	Call with BL on insurance, accounting, MM bill and operational expenses. Contact Insurance broker for GL.	350.00
	1030-1230	2.00	Start insurance discovery form. Start reconciliatin of BOSA & Citizens accounts and record JE for 2023.	-
12/29/2023	1200-500	5.00	Meet with accountant and BL for bookkeeping updates, processes, entries and reconciliation.	100.00
1/2/2024	1130-1200	0.50	Review progress on financial catch up through 12/01 and December financials.	1,000.00
1/3/2024	100-215	1.25	Prepare adjusted payments per RS and 5 year plan.	100.00
1/4/2024	1245-345	3	Review progress on entries in to QBs. Prepare updated cash collateral and five year plan.	250.00
1/6/2024	945-1115	1.50	Review QB entries for December.	600.00
1/8/2024	1045-1215	1.50	Update 5 year projection for updated December entries.	300.00
	100-530	4.50	Meet with RS and conference call with Trustee & creditors. Update 90 day and 5 year.	300.00
1/9/2024	100-145	0.75	Update 5 year plan from 90 forcast budget including amortization of equipment with final payment.	900.00
	430-615	1.75	Revise Exhibit B and 90 day forcast with RS. Review IRS letters.	150.00
1/10/2024	930-1030	1.00	Hearing at court.	350.00
	400-515	1.25	Update 5 YR plan.	200.00
1/11/2024	100-115	0.25	Fill in IRS form. Miscellaneous responses for payments, communications with IRS, etc.	250.00
1/12/2024	1000-1130	1.50	Reach out to E. Scherer for lawsuit issue. Review email from AC and respond. Review January entries. Compile current bills since filing.	50.00
1/14/2024	1200-230	2.50	Reconcile bank accounts for 12/01 beginning balances.	300.00
1/16/2024	315-430	1.25	Prepare form required by IRS by the 16th. Review QBs for PEO company name for the form.	500.00
	430-800	3.50	Prepare MOR for December including reconciling 12/01 balances to actual.	250.00
1/17/2024	1230-130	1.00	Phone call with E Sherer on legal matters. Phone call with ML on insurance status, Phone call with BL on accounting/Sage and legal matters.	700.00
	415-545	1.50	Prepare MOR . Communicate on insurance for resolution. Conference call with auto insurance agent.	200.00
1/18/2024	845-1230	4.50	Prepare pending job list for opposing counsel.	300.00
	100-145	2.50	Meet with BL to go over bank/dozer situation, accounting and staff, and GL insurance obtainment.	900.00
1/19/2023	345-615	2.50	Meet with BL to go over bank/dozer situation, accounting and staff, and GL insurance obtainment.	500.00
1/22/2024	800-900	1.00	Review payroll entries. Prepare 941 for Q4 2023.	500.00
1/23/2024	130-430	3.00	Meet with client. Review accounting needs, insurance and general needs including weekly entries and updates in QBs. Review Sage conversion. List out deadlines and entries for court.	200.00
1/24/2024	130-230	1.00	Prepare Court ordered Status Update Report.	600.00
1/26/2024	1000-1115	1.50	Discuss with client and coucel the status report. Communicate to accounting a priority list of needs. Review accounting concerns.	200.00
1/27/2024	1015-1215	2.00	Review and communicate changes to January entries. Respond to priorities responses email.	300.00
1/31/2024	700-740	0.67	Discuss status report with RS. Review payroll tax entries for December.	400.00
2/2/2024	500-530	0.50	Communicate with councel and creditor on excavator contract and Romco lease.	133.33
2/5/2024	1145-300	3.25	Review insurance documents in Drop Box. Review entries 2022-2023 for reclass and possible follow up .	100.00
	330-345	0.25	Correspond with Vovlo counsel and PM counsel concerning insurance and inspection.	650.00
2/6/2024	1200-1245	0.75	Reconcile bank entries to books 01-03/23	50.00
2/8/2024	1130-1200	0.50	Review equipment keep or sell list.	150.00
2/12/2024	550-700	1.17	Review January financials and reconcile. Research bill accrual and payment for payroll. Adjust.	100.00
2/13/2024	1115-230	3.25	Review January financials and reconcile. Research bill accrual and payment for payroll. Adjust.	233.33
2/14/2024	315-445	1.50	Prepare preliminary January MOR.	650.00
2/15/2024	140-315	1.58	Meet with BL and discuss plan, equipment to keep, what is needed to complete the MOR and other matters. Reconcile bank & QBs per AC explanation. Follow up on Volvo Everbank with BL.	300.00
	615-700	0.75	Discuss insurance needs and Everbank with counsel. Discuss with AC Volvo payments vs Everbank and insurance additional insured needs to retrieve today. Prepare January MOR.	316.67
2/16/2024	800-820	0.33	2 Complete January MOR.	150.00
	220-350	1.5	2.75 Update 5 year projection. Reconcile actual accounts payable.	66.67
2/17/2024	950-1150	2	3 Reconcile LT Creditors claims to book balance, tracing actual payments to bank.	300.00
2/18/2024	930-1215	2.75	4 Meet with BL to go over IRS requests for documents, 5 year plan, request for RS-counsel and adjust the 5 year plan. Draft letter to RS for items needed going forward.	400.00
2/19/2024	1100-200	3	0.5 Submit document request to IRS and correspond with IRS representative.	550.00
2/20/2024	330-730	4		600.00
2/21/2024	800-830	0.5		800.00
				100.00

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2/22/2024	1145-1215	0.5	Adjust Volvo LT Note from AP in QBs to reconciliation of Vendor balance to book balance.	100.00
	715-915	2	Adjust 5 year plan for counsel change on arrears.	400.00
2/26/2024	1245-245	2	Meet with BL and review change 5 yr plan, review unsecured creditors and communicate with Everbank attorney for payments/inspection.	400.00
2/27/2024	600-630	0.5	Redo 5 YR plan and submit to counsel.	100.00
2/29/2024	1245-130	0.75	Send insurance documents and correspond with Everbank attorney. Research proof of office in Seguin and not Bexar county. Set up inspection for Volvo equipment with Everbank and inspector.	150.00
	200-630	4.5	Review 5 year plan with counsel before submission. Make chnges as instructed.	900.00
3/1/2024	1100-1200	1	Discuss TCB inspection and pricing for equipment with BL. Gather information and communicate to counsel on the situation with Bexar County taxes.	200.00
3/5/2024	145-245	1	Meet with BOSA reps for mixer inspection.	200.00
3/7/2024	1000-1020	2.33	Work on Texas Unemployment report due for 4th Q 2023. Update 2023 for any adjustments to prepare tax return.	466.67
	145-345			
3/9/2024	1045-300	4.25	Update 2023 for any adjustments to prepare tax return for CPA. Reconcile creditor claims to books and adjust accordingly.	850.00
3/12/2024	650-750	1	Review financials for February MOR preparation.	200.00
3/14/2024	640-800	1.33	Update Romco payment as discussed with opposing council.	266.67
3/15/2024	500-600	1	Discuss ROMCO claim with client and councel via email. Update adjustments for tax return.	200.00
	600-840	2.67	Review completed financials and prepare February MOR.	533.33
3/16/2024	330-515	1.75	Reconcile Equipment account.	350.00
3/18/2024	200-600	4.00	Meet with BL to go over accounts for questions to determine what is to be adjusted or write off. Discuss and try to reconcile ROMCO situation on balance. And other matters, IE; equity entries etc.	800.00
3/19/2024	745-930	1.75	Reconcile Romco agreement with emails and statements to claim made by vendor. Update 5 YR Plan.	350.00
	1100-400	5.00	Adjust books for erroneous entries and not entered.	1,000.00
3/20/2024	1245-515	4.50	Adjust March budget for Heldenfels payments and MOR for February. Phone call with potential equipment buyer. Adjust books for erroneous entries and not entered.	900.00
3/22/2024	1215-245	2.50	Communicate with ROMCO personel for term of lease and review rental agreement and calculate amount owed. Advise client and counsel.	500.00
3/25/2024	1030-1200	1.50	Meet with Counsel and go over ROMCO and work on creditor reconciliation.	300.00
3/26/2024	100-230	1.5	Adjust books for erroneous entries and not entered.	300.00
3/27/2024	1150-1220	1.00	Discuss ROMCO documents and further clarification with AC. Request meeting.	200.00
	300-330		Review new ROMCO documents from AC. Calculate buyout offer.	
3/28/2024	1020-240	4.33	Adjust books for erroneous entries and not entered. Reconcile SBA loan and Equipment Fixed Asset.	866.67
	945-1145	2	Continue to Reconcile Equipment account.	400.00
4/1/2024	830-900	0.50	Correspond with counsel on Romco situation.	100.00
4/2/2024	230-345	1.25	Meet with BL to discuss ROMCO situation and deal.	250.00
	555-615	0.33	Conference call with BC & counsel to finalize Romco.	66.67
4/5/2024	230-500	2.5	Reconcile equipment account and make entry. Reconcile Unapplied Cash Bill Expense account.	500.00
4/6/2024	715-745	0.50	Review JDeere Financial request on interest and arrearages. Recalculate plan with adjustments and interest.	100.00
	200-645	4.75	Read Trustee filing of plan and review creditor claims objections. Reconcile credit to claims with objections and AP.	950.00
4/9/2024	1120-3	3.67	Meet with BL. Go over entries. Meet with creditor. Meet with Customer for future business.	733.33
		-1		(200.00)
4/10/2024	345-845	5	Review JDeere information on arrearages and reconcile. Prepare Actual vs Estimate P&L.	1,000.00
4/11/2024	600-745	5	Recalculate JDeere amortization before arrearages rather than balance at claim date. Trace payments to bank statements. Correspond with opposing counsel.	1,000.00
	845-1200			
4/13/2024	1150-1250	1	Review March Bank for entries done. Reconcile and adjust payroll entries done incorrectly.	200.00
4/14/2024	1230-145	3.5	Adjust payroll tax bills to properly reflect payables. Enter transactions into QBs.	700.00
	645-900			
4/15/2024	815-1000	1.75	Enter transactions into QBs. Reconcile March Bank Statement.	350.00
4/16/2024	915-930	4.25	Conference call with BL & counsel. Go over creditor objections and offer. No call in.	850.00
	330-500		Prepare summary of Romco history and updated Creditor debt with interest as of 6/16 Plan.	
	800-1030		Prepare summary of proposed payment plan for all creditors with accrued interest through 06/24/24 and add to 5 year plan.	
4/17/2024	1215-130	1.75	Reconcile March bank statement and enter bills. Discuss with counsel amended payout to creditors, call	350.00

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900-930	counsel with JDeere. Amend plan.	
4/18/2024 830-945	9.25 Discuss revisions to proposed payment plan with counsel. Redo payment plan breaking out arrearages	1,850.00
930-1030	from original contract. Update 5 year plan.	
1000-1230	2.5 Prepare March MOR.	500.00
		-
	One time courtesy 10% discount.	(4,178.33)
	Sub Total	37,605.00
	Expenses 1/10/24 mileage for Court hearing. 112 X \$.67	75.04
	1/10/24 parking for Court hearing.	23.64
	Total Due	\$ 37,703.68

Please Remit Payment to:

Paul Randles
PO Box 396
Kendalia, TX 78027

Please make checks payable to Paul Randles

Please pay by 26-Apr-24

Thank you!

NOTICE:PGR Business Advisors provides advisory and consulting services. PGR Business Advisors is an independent contractor and are not officers, employees or agents of, or partners or joint venturers with, the companies they serve.